

## September 2024 Estimated Performance and Commentary

**AIP Alternative Lending Fund A**  
**AIP Alternative Lending Fund P**
**Preliminary Estimated Performance<sup>1</sup>**

	September	YTD	1 Year	Annualized 3 Years	Annualized Since Inception
AIP Alternative Lending Fund A	1.02	3.35	2.57	0.86	8.16
AIP Alternative Lending Fund P (excluding sales load)	0.90	2.60	1.58	-0.05	7.15
Bloomberg U.S. Corporate High Yield Index	1.62	8.00	15.74	3.10	4.99
Bloomberg U.S. Corporate Index	1.77	5.32	14.28	-1.18	3.04
Bloomberg U.S. Aggregate Index	1.34	4.45	11.57	-1.39	1.93

Inception Date: October 1, 2018

**Commentary**

AIP Alternative Lending Fund A (the "Fund") generated an estimated net return of 1.4% in the third quarter, bringing estimated year-to-date performance through September to 3.4%. Negotiated loan purchase incentives and loan portfolio returns contributed during the quarter.

In September, the U.S. Federal Reserve (the "Fed") enacted a 50 bps rate cut, following an extended period during which the Fed held rates at highly restrictive levels. Higher Fed rates in recent years prompted higher new origination alternative loan coupons, providing the Fund with additional gross yield. However, rapidly increasing new origination loan coupons also posed a headwind to Fund performance in both 2022 and 2023. As new origination coupons rose, fair valuation mandated significant negative repricing of the Fund's back book of fixed rate loans to account for the higher coupons available from the new origination loans.

With the Fed now cutting benchmark interest rates, should alternative lending platforms follow suit by reducing coupon rates on new loan originations from today's abnormally high levels, the unrealized loan repricing headwind of recent years could become a tailwind to Fund returns driving positive repricing (coupons on new origination loans that the Fund acquired in September remained elevated and generally did not adjust lower in response to the first Fed cut; as such, loan book repricing did not meaningfully affect the Fund's September return). Regardless of whether new origination loan coupons start to decline, we believe that lower benchmark rates broadly support consumers. We also believe that our asset class's relatively tight credit conditions and high gross yield today support the Fund's strategy.

**This is a general communication which is not impartial and has been prepared solely for informational and educational purposes and is not a recommendation, offer, or a solicitation of an offer, to buy or sell any security or instrument or to participate in any trading or other investment strategy.**

<sup>1</sup>  
**Disclosures, Index Descriptions, Risk Factors and Other Considerations**
**Past performance does not guarantee future results. Actual results may vary.**

AIP Alternative Lending Fund A ("ALF A" or the "Fund") invests in alternative lending securities (such as consumer, small business, specialty finance loans and tranches of alternative lending securitizations) originated through non-traditional, or alternative, lending platforms (each, a "Platform") or securities that Morgan Stanley AIP GP LP, the investment adviser to the Fund (the "Investment Adviser"), believes offer access to credit risk premium. AIP Alternative Lending Fund P ("ALF P") serves as a feeder fund, and invests substantially all of its assets in ALF A. ALF A and ALF P are non-diversified, closed-end funds registered under the Investment Company Act of 1940, as amended.

The foregoing is provided for informational purposes only and is not to be relied upon. Any decision to invest should be made solely in reliance upon the applicable governing and offering documents. The Investment Adviser, its affiliates and its and their respective directors, officers, members, partners, employees, agents, advisors, representatives, heirs, successors, executors, trustees and investment advisory, managing and sponsoring entities shall have no liability whatsoever in connection with any person's or entity's receipt of, use of or access to any information contained herein. Estimated Fund net returns have not been verified by the Fund administrator, are unaudited and subject to material changes. Final, unaudited monthly returns are expected to be released on or approximately the 25th of the month.

Estimated net return represents the total return for the month, equal to the change in value of the Fund, including capital appreciation and income, as a percentage of the beginning value. The amount earned is the difference between the beginning and ending values, adjusted for the net of all contributions and withdrawals (cash flow). The rate of return is calculated on a time-weighted basis for all investments and is net of 1) broker commissions and expenses related to the purchase of loans from the various Platforms; 2) the reinvestment of dividends and capital gains; 3) the 0.75% per annum management fee on Managed Assets (as defined in the Fund's prospectus); 4) the 0.75% shareholder servicing fee on net asset value (ALF P only) and 5) operating expenses. The Investment Adviser contractually waived the Fund's management fee for the first year of the Fund's operations (through September 30, 2019). Additionally, the Investment Adviser has agreed to reimburse the Fund's expenses (other than Platform fees, extraordinary expenses and the following investment related expenses: foreign country tax expense and borrowing costs) to the extent necessary in order to cap total annual Fund expenses at 2.00% of the Fund's average annual Managed Assets. The expense reimbursement will continue until such time as the Fund's Board of Directors acts to discontinue all or a portion of such reimbursement. Inception date of ALF A and ALF P is October 1, 2018.

#### Index Descriptions

The indices are presented merely to show the general trends in the markets for the period and are not intended to imply that the Fund is comparable to the indices either in composition or element of risk. The indices do not reflect the deductions of any fees. Index data is provided for comparison purposes only and a variety of factors may cause an index to be an accurate benchmark for a particular fund. Comparisons to indexes have limitations because indexes have volatility and other material characteristics risks that may differ from a particular fund. The indexes are for illustrative purposes only and should not be relied upon as an accurate measure of comparison. Index returns reflect the most recent data available as of the date this report was produced and is sourced from Bloomberg.

Bloomberg U.S. Corporate High Yield Index measures the U.S. dollar ("USD")-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Bloomberg's emerging markets country definition, are excluded.

Indices do not include any expenses, fees or sales charges, which would lower performance. Indexes are unmanaged and investors cannot directly invest in them. Index results are shown for comparative purposes and do not represent the performance of a specific investment.

Bloomberg U.S. Corporate Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

Bloomberg U.S. Aggregate Index is a broad-based fixed income benchmark that measures the investment grade, USD-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage backed securities, asset-backed securities and commercial mortgage backed securities.

#### Risk Factors and Other Considerations

**Please consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus contains this and other information about the Fund. To obtain a prospectus, contact your Financial Advisor, or download one at [morganstanley.com/im](http://morganstanley.com/im). Please read the prospectus carefully before investing.**

Investment in the Fund involves significant risks due to, among other things, the illiquidity of the shares, the nature of the Fund's investments and actual and potential conflicts of interest. There can be no assurance that the Fund will achieve its investment objective or that there will be any return of capital. Investors should have the financial ability and willingness to accept the risks (including the risk of loss of the entire investment) for an indefinite period of time and should consult their financial, tax and accounting advisors regarding the appropriateness of making an investment in the Fund. As the Fund's investment program develops and changes over time, an investment in the Fund may be subject to additional and different risk factors from those described herein. Risk factors of the Fund and alternative lending securities, as further detailed in the Fund's prospectus, include:

- Loans May Carry Risk and Be Speculative
- Prepayment Risk
- Default Risk
- Credit Risk
- Limited Secondary Market and Liquidity of Alternative Lending Securities
- High-Yield Instruments and Unrated Debt Securities Risk
- Risk of Unsecured Loans
- Platform Risk
- Potential Inaccuracy of Information Supplied by Prospective Borrowers
- Risk of Increase in Consumer Credit Default Rates
- Loans are Generally not Secured by any Collateral or Guaranteed or insured by any Third Party
- Subsidiary Risk
- Risk of Bonds and Other Debt Securities Backed by Pools of Alternative Lending Securities
- Small Business Risk
- Student Loans Risk
- Real Estate Loans Risk

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